TESTIMONY OF
DONNA DARM
ACTING REGIONAL ADMINISTRATOR
NORTHWEST REGION
NATIONAL MARINE FISHERIES SERVICE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE
ON
THE PACIFIC COAST GROUNDFISH FISHERY

BEFORE THE
SENATE SUBCOMMITTEE ON OCEANS AND FISHERIES
NEWPORT, OREGON FIELD HEARING

January 16, 2001

Mr. Chairman and members of the subcommittee, thank you for inviting me to testify today regarding management of the Pacific Coast groundfish fishery. I am Donna Darm, Acting Regional Administrator for the Northwest Region, National Marine Fisheries Service (NMFS).

The Pacific Coast groundfish fishery is an important commercial and recreational fishery. The flow of product throughout the year from the Pacific Coast groundfish fishery keeps many processors and fishery participants in business throughout the year. The over 80 species managed under the Pacific Coast Groundfish Fishery Management Plan (FMP), until recent years, have been available to harvesters most of the year and have filled the gaps in the market by providing product flow when product from other West Coast fisheries was not available.

The Pacific Coast groundfish fishery is in a crisis. The fishery is overcapitalized and numerous groundfish stocks have been depleted by a combination of natural and human factors, pushing their allowable catches down to levels that cannot economically sustain the present fleet structure. NMFS has mounting concerns that fisheries and other human activities are exerting significant pressures on the marine ecosystem. In addition, the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act) requires more conservative management for the seven species that have been declared overfished. This has resulted in additional restrictions not only for fisheries on the overfished stocks, but also for fisheries that target on other, healthier stocks that incidentally encounter overfished species. Finally, natural climatic cycles in the Pacific Coast ecosystem in which Pacific Coast groundfish live are affecting groundfish productivity and complicating our ability to measure human impacts on the

fish populations. Solutions to this crisis will require a long-term commitment to rebuilding the fishery through improving both research and management.

From 1980 through 1999, annual commercial landings of all non-whiting groundfish peaked at 112,000 metric tons (mt) in 1982, but from 1989 on, landings have decreased every year with the sharpest decreases being the most recent. Since the mid-1990's we have seen landings fall by 50 percent from approximately 60,000 mt to 31,000 tons in 2000. Ex-vessel revenues have similarly declined from over $80 million to $42 million. Projections for 2001 indicate that revenues will continue to fall, perhaps to as low as $29 million, depending on the ability of the industry to fish under a complicated set of regulations and quotas designed to protect overfished species. To put this figure in perspective, we estimate that at least $10 million in revenue is necessary to keep 55 trawl vessels in business. As a result of these trends, nearly one year ago today, the Secretary of Commerce (Secretary) declared a commercial fishery failure due to a fishery resource disaster under Section 312(a) of the Magnuson-Stevens Act. The declaration of a commercial fishery disaster cleared the way for Congress to appropriate $5.0 million in disaster assistance funds for those commercial groundfish fishery participants whose fishing activities and incomes have suffered. Nor has the commercial fishery been the only sector to suffer from this disaster. Recreational fishermen, their communities and support industries have been severely affected as well.

The groundfish crisis has highlighted a number of fishery management concerns. While initial declines may have been caused by an ocean regime shift that lowered productivity, these declines were not detected for some time and harvest rate policies were based on assumptions of higher levels of productivity. Limited scientific understanding and inadequate resources for research and monitoring limited the agency's ability to provide timely forecasts of the need to scale back allowable catches. Each year harvest rates were based on prevailing scientific information and stock assessment models, FMP goals, and Magnuson-Stevens Act requirements. At the time, harvest rates were deemed reasonable and responsible given the accepted scientific understanding around the world and the productivity estimates used in other national and international fisheries.

We do not know for certain why the West Coast groundfish stocks appear to have lower productivity than similar stocks elsewhere nor do we understand completely how the health of groundfish populations is linked to changes in the California current. We do know that starting in the late 1970's there has been a decline in the basic productivity of the California current that is correlated with a major ocean regime shift. During this period there have also been an abnormally high number of El Nino events. It is likely that these changes have contributed to the decline in recruitment of many groundfish species, particularly long-lived rockfish which may live as long as 50 to 100 years. In retrospect, this incomplete understanding led to harvest levels that were not adequately conservative.

In spite of the fact that Pacific Coast groundfish harvest has been reduced through state and Federal management efforts, the situation remains serious. New stock assessments on previously unassessed groundfish species are likely to result in the need for further harvest restrictions given what we now know about stock productivity and other factors. Our challenge will be to protect and rebuild those stocks most seriously depleted, while minimizing to the extent possible adverse economic and social impacts on fishing communities.

We are undertaking three types of actions in response to the crisis in the groundfish fishery: (1) increasing the collection of scientific data and research; (2) improving management of the fishery by reducing overcapacity and protecting sensitive habitat from the effects of fishing; (3) and providing assistance to fishery participants and affected communities through financial programs.

A key element in restoring stocks for a sustainable fishery, protecting the marine environment, and evaluating the social and economic impacts of potential management actions is a comprehensive research program that provides the needed scientific information and advice in support of fishery management decisions. Research and monitoring for Pacific Coast groundfish currently is done through complementary efforts of the three West Coast NMFS Fisheries Science Centers, the three coastal state fishery agencies, the Pacific States Marine Fisheries Commission (PSMFC), and several academic institutions. NMFS and PSMFC federally-funded research and monitoring efforts that totaled nearly $6 million in 1999. This funding level allows us to determine the status of about 6 stocks each year, and stock assessments have been competed for 26 of the 82 groundfish species under Federal management. Sixteen of these assessments are adequate enough to allow determination of the species' status. Of these 16 stocks 7 have been determined to be overfished, requiring the Pacific Fishery Management Council (Council) to submit rebuilding plans that meet the Magnuson-Stevens Act rebuilding requirements. The "unknown" status of the majority of groundfish stocks leaves a significant possibility that others may be overfished as well.

The Northwest Fisheries Science Center (Northwest Science Center) has lead responsibility for coordinating West Coast groundfish research. In Fiscal Year (FY) 2001, the Northwest Science Center groundfish budget was doubled to about $4.25 million. This increase will provide funding for the whiting pre-recruit and slope trawl surveys which have been conducted for the past two years using temporary funds. In addition, funds will be used to support the transition of many West Coast groundfish survey and assessment responsibilities from the Alaska Fisheries Science Center to the Northwest Science Center. The transition should provide for improved integration with existing West Coast NMFS groundfish programs in a manner that will achieve significant efficiencies and allow us to expand those activities. In addition, we are assessing whether more frequent and precise assessments are necessary to rebuild stocks and achieve a sustainable fishery.

For the first time, the NMFS FY2001 budget includes just over $2 million for a West Coast groundfish observer program. This increase will provide resources to begin to address one of the major shortcomings of the groundfish management process – the lack of information on bycatch and total mortality of groundfish in the fishery. In cooperation with PSMFC, the Council, and the 3 coastal states we are moving quickly to develop a statistically sound at-sea monitoring program and to deploy observers to collect needed bycatch information. We will also seek opportunities to make other improvements in our fishery data collection, including implementation of electronic logbooks.

The Council recently adopted a Strategic Plan and concluded that the highest priority for achieving an economically viable groundfish fishery at reduced harvest levels is to reduce harvesting capacity to a point where the harvesting capacity matches the productivity of the groundfish stocks. The Plan recommends a reduction of at least 50 percent in the number of vessels in all sectors of the groundfish fleet, including limited entry trawl and fixed-gear and open access vessels. In November, the Council took an initial step in that direction by recommending a permit stacking program for the limited entry fixed-gear fishery. NMFS supports the Council Plan and will work with the Council to find creative ways to reduce harvest capacity while minimizing adverse impacts on fishing communities. NMFS supports the Council's process to consider use of marine reserves, or marine protected areas. Protecting key habitat areas furthers the immediate goal of rebuilding overfished groundfish stocks and provides longer term benefits by maintaining fully functioning ecosystems that contribute to the stability of groundfish populations. Because the designation of such reserves may be controversial, development should be initiated by the Council and provide for open public input.

In response to the disaster in the West Coast groundfish fishery, Congress appropriated $5.0 million in Federal assistance to the affected industry and communities. Oregon and California each will receive 35 percent of these funds and Washington will disperse the remaining 30 percent. Under the Magnuson-Stevens Act such funds may be used for assessing the economic and social effects of the commercial fishery failure, restoring the fishery and preventing a similar failure in the future, and assisting fishing communities. The Secretary also must determine that funded activities will not expand the size or scope of the commercial fishery failure. Finally, the law requires that the Federal share of the cost of any funded activity may not exceed 75 percent of the cost of that activity.

Each state has made a similar proposal to use the funds for industry outreach, job retraining, and cooperative industry research. We have summarized these proposed activities into a West Coast groundfish spending plan that will be sent to Congress as required under the supplemental appropriations law, and we are currently working with the states on how best they can meet the 25 percent matching requirement.

In conclusion, I recognize that serious problems remain, but am cautiously optimistic about the future of the groundfish fishery. We must continue to protect overfished fish stocks, increase our scientific understanding, and support efforts to restructure the fishery and fleet that allow the participants and support industries to remain financially solvent during the rebuilding process. We now know more about current climate effects on the groundfish stocks and recognize that harvest levels may remain at low levels for a long time before stocks are fully rebuilt, and that alone will cause significant changes in the structure of the fishery. However, we can work collaboratively with the Council, States, Coastal tribes and the fishing industry to manage that change in a way that takes into account the needs of fishery participants and fishing communities.

Thank you for the opportunity to address this very important West Coast fishery.